



# FPPC Bulletin

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## Reminder for Clerks:

- Statement of Economic Interests filing season is here!
- Forms due March 1 or April 2
- See details on Page 10



**FPPC**  
**Toll-free Advice Line:**  
**1-(866)-ASK-FPPC**

## Education Work, Proposition 34 Programs Underway at FPPC

The Fair Political Practices Commission enters the New Year with a broad array of plans and challenges, ranging from ambitious programs for public education and outreach to implementing the voter-approved campaign law revisions of Proposition 34.

“We already had a full plate for 2001 in starting up our new Public Education Unit and beginning an extensive review of campaign reporting rules. Passage of Proposition 34 ensures this will be an extremely busy year for commissioners and staff,” said FPPC Chairman Karen Getman.

The Commission and its staff recently completed Phase 2 of a major project to simplify and improve the often-

complicated regulations on conflicts of interests. The new regulations take effect Feb. 1 (see related article).

Hundreds of public officials from throughout California already have attended training and education sessions on how to comply with the conflict rules and seek advice from FPPC staff. The project seeks to further improve and simplify the eight-step process developed to help public officials determine when they may have a potential conflict of interest related to an official act.

The Commission also successfully launched its toll-free help line (1-866-ASK-FPPC) and is conducting a variety of other in-person training

*(Continued on page 4)*

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## Commission Begins Implementation Of Voter-Approved Proposition 34

**By Scott Tocher**  
**Staff Counsel**

On November 7, 2000, California voters approved Proposition 34, which amended the Political Reform Act. While perhaps best known for its limits

on campaign contributions in state races, the statutory changes made by the proposition also significantly impact other areas of the law.

At its January meeting, the Commission adopted two

*(Continued on page 6)*

## Move Aims To Improve Service

With goals of improving both service to the public and agency efficiency, the Fair Political Practices Commission has re-organized part of its office space in its long-time headquarters building in downtown Sacramento.

Most important to the public, the FPPC has moved its public reception area from the fourth floor of 428 J Street to a more spacious area in Suite 620 on the sixth floor.

"We now have a much larger reception area, one that is geared to better serving the public," said Bob Tribe, who heads the FPPC's Administration Division.

"We have a public counter with several staff available. The plan is also to have a document viewing room for the public including computer terminals," Tribe added.

Initially, a sign will be posted on the fourth floor directing members of the public to the new sixth-floor offices.

Monthly Commission meetings will continue to be held in the existing eighth floor Commission chambers at 428 J Street.

Other new offices on the sixth floor house Technical Assistance Division personnel, including those who handle the thou-

sands of Statements of Economic Interests filed with the Commission; administrative personnel; the FPPC's new Public Education Unit; information technology and printing employees and others. Many of those employees had previously worked on the fourth floor.

"The SEI and administrative units had been really isolated on the fourth floor. It was really a disjointed arrangement," said Tribe.

Commission personnel will continue to occupy space on the seventh and eighth floors of the building, but no staff members will remain on the fourth floor. State Department of Education personnel also are expected to occupy a portion of the sixth floor.

A year in the planning, Tribe said the move and reorganization of FPPC office space will allow the agency to truly consolidate its operations for the first time since the early 1990s, when sharp budget cuts forced major personnel reductions.

"We will continue to be on just three floors, but with a more efficient and coordinated arrangement," Tribe said.

### California Fair Political Practices Commission

Karen A. Getman, Chairman  
Sheridan Downey III, Commissioner  
Gordana Swanson, Commissioner

(As of the date the Bulletin went to publication, the Secretary of State and State Controller had not yet named their appointees for the 2001-2005 term).

### Commission Meetings

Meetings are generally scheduled for the first Friday of each month at 9:30 a.m. in the Commission Hearing Room, 428 J Street, 8<sup>th</sup> Floor, Sacramento. Please contact the Commission to confirm meeting dates.

Pursuant to Section 11125 of the Bagley-Keene Open Meeting Act, the FPPC is required to give notice of its meetings ten (10) days in advance of the meeting. In order to allow time for inclusion in the meeting agenda and reproduction, all Stipulation, Decision and Order materials must be received by the FPPC no later than three (3) business days prior to the ten day notice date.

To receive a copy of the Commission meeting agenda (free) or a copy of the full meeting packets (\$10/month or \$100/year) contact the Commission at (916) 322-5660. The agenda and packet are also available through the Commission's Fax-on-Demand service at 1-888-622-1151. Additionally, past and future agendas are posted on the website at [www.fppc.ca.gov](http://www.fppc.ca.gov).

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[bulletin@fppc.ca.gov](mailto:bulletin@fppc.ca.gov)

# First Staff Members Hired for FPPC Public Education Unit

The Fair Political Practices Commission's new Public Education Unit is now staffed and beginning work on a variety of projects, including publications intended to make it easier for public officials and the general public to understand political reform rules and the work of the Commission.

Jon Matthews, a former veteran Sacramento Bee Capitol Bureau reporter, was named to the newly created post of Publications Editor. Hal Dasinger, formerly with the Secretary of State's office, is the unit's Political Reform Consultant. Also joining the new unit is Jason Painter, an FPPC associate information systems analyst who will coordinate technical and online projects.

## Unit Established With Budget Allocation

The unit was established with a \$460,000 budget allocation approved by the state Legislature and the Governor last spring. Staff members will be responsible for writing and editing publications, handbooks, brochures, forms, web-based information and other material about the complex disclosure and reporting laws governing public officials under the Political Reform Act of 1974, which created the FPPC. The unit will

become a repository of campaign finance and conflict of interest codes and information, and its funding is also being used for the FPPC's new toll-free advice line, 1-866-ASK-FPPC.

## Projects Include New Resource Directory

The unit already has produced a brochure explaining the FPPC's investigation and enforcement procedures in plain language. Other initial projects include revising the format and content of the FPPC Bulletin, editing FPPC forms and articles and developing a new resource directory and annual report for the agency.

Matthews was with the Bee since 1986 and wrote hundreds of articles appearing in the Bee and other newspapers around the state. Among other issues, he has written extensively about campaign finance reform, most recently on Proposition 34, the campaign finance initiative passed by voters in 2000, as well as daily coverage of the second trial last July on challenges to Proposition 208, the campaign finance initiative passed in 1996.

Before joining the Bee, Matthews was an Ombudsman Assistant in the Alaska Office of the Ombudsman from 1982-85, investigating complaints filed by

members of the public against state agencies and writing reports.

Dasinger was until very recently the analyst in charge of voting systems certification for the California Secretary of State's office and was active in the development of certification standards for Internet voting systems.

Prior to that assignment he analyzed elections-related legislation, and worked on election-night reporting and implementation of Cal Voter, the statewide voter registration and election reporting system. He has worked for the California Senate and as a governmental relations consultant to private industry. He has a degree in English literature from the University of Montana and is an evening student at McGeorge School of Law.

Painter has been an information systems expert with the FPPC for over three years, and prior to that worked for four years for Eskel-Porter Co., a Sacramento technological consulting firm which advises private industry and state agencies. Painter holds a B.A. in international relations from California State University, Chico.

The Public Education Unit is housed on the sixth floor of commission headquarters at 428 J Street in downtown Sacramento.

# Education, Proposition 34 Projects

(Continued from page 1)

seminars on subjects including campaign reporting and filing. The campaign seminars are designed to help prospective candidates understand the rules for accepting campaign donations and how to properly fill out the paperwork for reporting donations and campaign spending.

## Outreach Programs

A popular outreach program for city and county clerks and state agencies also is being offered by FPPC staff, helping those officials learn how to manage their filing duties and in turn help other officials comply with the law. Overall during 2000, nearly 19,000 Statements of Economic Interests also were received and logged into a new computer database.

## New Goals for Agency

The New Year brings even more challenges and activity to the FPPC.

The Commission has launched the nuts-and-bolts implementation of Proposition 34, the campaign finance measure approved by voters in the November statewide general election. FPPC attorneys and technical experts – members of an internal agency task force named by Chairman Getman shortly after the election – are tackling the campaign provisions of the new law, including contribution lim-

its, voluntary spending limits, expanded 24-hour reporting, issue advocacy disclosure and the applicability of the measure to local jurisdictions. Already, the Commission has taken initial action to adopt regulations and is expected to consider a broader plan at its March meeting (see related article).

"The Commission intends to take a measured and thoughtful approach to implementing the new campaign provisions of Proposition 34," said Getman. "As with all major changes in the law, this will not be a simple process. It will require new regulatory language as well as changes in relevant forms. The FPPC is seeking input from the public on both the substantive interpretations of the proposition, and on the process for its implementation. We urge local and state officials and others affected by these changes to give us their input during this important process."

The Commission also has issued guidelines to special election candidates who must follow the new rules. In addition, the Legislature is expected to consider implementing legislation.

## Education Unit Staffed

In other developments, the FPPC has staffed its new Public Education Unit. The unit's goals include expanding

and improving the agency's ability to educate public officials on their obligations under the Political Reform Act.

The unit also will serve as a clearinghouse for related information. Already, the unit has developed its first brochure explaining FPPC enforcement procedures and is working on future publications as well as Web-based materials. The unit also has taken over editing of the Bulletin has begun making changes in format and content.

*"The Commission intends to take a measured and thoughtful approach to implementing the new campaign provisions of Proposition 34,"*

*— FPPC Chairman  
Getman*

This year, Commission priorities also include a major review and overhaul of campaign rules and forms — including public input on suggestions for improvement — and other projects. This process follows the year-long project to simplify the conflicts-of-interest process.

There is much more news in this issue of the Bulletin and more will follow as the year unfolds.

# Litigation Report

*California ProLife Council Political Action Committee et al. v. Scully et al.*

The court held a post-election status conference on November 15, 2000 and concluded that the passage of Proposition 34 had rendered most of the provisions of Proposition 208 moot. The court accordingly indicated that it would vacate its preliminary injunction of Proposition 208 effective January 1, 2001 – the effective date of Proposition 34. The court has also announced that two provisions of Proposition 208 *not* repealed by Proposition 34, relating to slate mail disclosures, will be separately adjudicated, and those two provisions remain under injunction until the court decides this last remaining dispute. Eleven other provisions of Proposition 208 were not repealed by Proposition 34 and were unchallenged by plaintiffs in the litigation. These provisions, largely concerning advertising disclosure, went into effect on January 1, 2001.

*California ProLife Council PAC v. Karen Getman et al.*

Plaintiff sued the FPPC, the state Attorney General, and the Sacramento County District Attorney, seeking an injunction barring enforcement of certain of the Act's record-keeping and

disclosure requirements, in part because these requirements are said to regulate protected issue advocacy. The FPPC joined the Attorney General in a motion to dismiss much of the complaint, and in opposition to plaintiff's motion for a preliminary injunction. After reviewing the motion to dismiss, plaintiff filed an amended complaint, requiring a further motion to dismiss. On October 19, the court heard argument on the motions presented by both sides, denying plaintiff's

motion for preliminary injunction and dismissing seven of the ten counts in the amended complaint. Plaintiffs subsequently dismissed the Sacramento County District Attorney, and the remaining defendants – the FPPC and the Attorney General – answered what was left of the complaint. Trial is set for June 24, 2002, and the parties will begin discovery in the near future.

## FPPC Staff Notes...

### Sue Ellen Wooldridge Goes to Washington

Sue Ellen Wooldridge, who served as General Counsel for the Fair Political Practices Commission, has been named Special Assistant to Gale Norton, President George W. Bush's choice for Secretary of the Interior.

"This is a wonderful opportunity for Sue," said FPPC Chairman Karen Getman of Wooldridge's appointment. "While we are sad to see her go, we are delighted to see her talents recognized at the national level, and we are extraordinarily proud of her."

FPPC Assistant General Counsel Luisa Menchaca is serving as acting general counsel until a successor to Wooldridge is named.

### Rickards Returning To Attorney General's Office

In other staff news at the FPPC, Cy Rickards, chief of the Enforcement Division, is leaving his post in February and returning to his former agency, the state Attorney General's office.

"Under Cy's leadership, new and streamlined enforcement procedures were initiated that have greatly increased the Commission's ability to handle certain reporting cases in an expedited and fair manner," said Chairman Getman.

FPPC Executive Director Wayne Strumpfer will serve as acting division chief until a successor to Rickards is named.

# Proposition 34 projects

*(Continued from page 1)*

emergency regulations that implement the new law. These regulations concern the duties and responsibilities of statewide and local officials, candidates, filing officers and others, and the definition of small contributor committees.

## Applicability of Proposition 34 to Local Jurisdictions

In the immediate aftermath of the November election, questions as to the scope of applicability of certain provisions of Proposition 34 arose - specifically, which provisions apply to local jurisdictions. The Commission adopted Emergency Regulation 18573, which identifies each provision of the proposition that is applicable to local candidates, committees and jurisdictions. Staff prepared for the Commission a table that briefly describes each statute added or amended by the new law that is applicable to locals and the basis for such construction. That chart is available on the Commission's Web site, [www.fppc.ca.gov](http://www.fppc.ca.gov). The emergency regulation will expire 120 days after adoption if the Commission does not permanently adopt it at a future meeting.

## Small Contributor Committees

Under Proposition 34, small contributor committees may contribute more to candidates than other persons may,

with the exception of political parties. (Section 85302.)

Section 85203 defines a small contributor committee as a committee that meets all of the following criteria: (1) the committee has been in existence for at least six months; (2) the committee receives contributions from 100 or more persons; (3) no one person has contributed to the committee more than two hundred dollars (\$200) per calendar year; and (4) the committee makes contributions to five or more candidates.

In January, the Commission adopted Emergency Regulation 18503, which clarifies the definition of small contributor committee. In addition, the regulation provides that a committee that qualifies as a small contributor committee must amend its statement of organization before contributing at the higher level. (Section 18503(b).) The amended statement of organization must reflect that the committee is a small contributor committee and the date on which it qualified as such. For committees that qualified before January 1, 2001, the date of qualification is January 1, 2001. The emergency regulation is noticed for permanent adoption at the Commission's March meeting.

In March, Commission staff also will present a Proposition 34 work plan for calendar year 2001. The work plan will address which provisions of Proposition 34 may require regulatory action.

## Legislature Expected To Address Proposition 34 Cleanup

With the Legislature two months into its 2001-02 session, drafters of Proposition 34 are at work on revisions to the contribution and voluntary spending limits measure approved by the voters last November.

Senate Bill 34, jointly authored by state Senate President pro Tem John Burton and Sen. Ross Johnson, was introduced in a "placeholder" form and is expected to be amended to contain more substantive language.

Topping the list of expected changes is a new requirement that recipients of contributions of \$5,000 or more report those contributions online within 48 hours of receipt. Also expected is language to allow elective state office candidates, including members in their last terms of office, to raise funds for officeholder expenses. These officeholder funds would be subject to Proposition 34 limits. Finally, other language is expected to narrow the delayed effective date in Section 83 of the initiative applicable to statewide candidates. This change is expected to narrow that delayed-operative-date language to the Act's contribution limits and voluntary expenditure ceilings provisions.

Although the bill does not currently contain an urgency clause, it is anticipated that one will be amended into the bill.

# Important Changes To Conflict of Interest Rules in 2001

**By John W. Wallace**  
**Senior Commission Counsel**

*Effective January 1, 2001*, Assembly Bill 974 amends a variety of the disclosure and disqualification thresholds in the Political Reform Act (sections 82033, 82034, 84200, 84202.5, 84202.7, 84203.5, 87103, 87206, 87207, 89511, and 91005.)

## **Conflict of Interest: Disqualification**

**Section 82033:** The definition of “interest in real property” has been amended to require that the fair market value of the interest be \$2,000. An interest of less than \$2,000 is not considered an interest in real property.

**Section 82034:** The definition of “investment” in a business entity has been amended to require that the fair market value of the interest be \$2,000. An interest of less than \$2,000 is not considered an investment interest in a business entity.

**Section 87103:** Section 87103 defines what is considered an economic interest for purposes of the disqualification requirement in section 87100. The amendments to the statutory list of economic interests are as follows:

— Only a business entity in which the public official has a direct or indirect investment worth \$2,000 or more is considered an “economic interest” under section 87103(a).

— Only real property in which the public official has a direct or indirect interest worth \$2,000 or more is considered an “economic interest” under section 87103(b).

— Only sources of income of \$500 or more in value provided or promised to, or received by, the public official within 12 months prior to the time when the decision is made are considered an economic interest under section 87103(c).

While AB 974 did not amend the threshold in section 87103(e) pertaining to the receipt of gifts, the current statutory language links that threshold to the applicable gift limits in the Act, which are adjusted periodically for inflation. The statutory threshold for years 2001 and 2002 is \$320.

## **Personal Use**

**Section 89511:** This section defines what is considered the appropriate use of campaign funds. The definition of “substantial personal benefit” has been amended to mean an expenditure

of campaign funds which results in a direct personal benefit with a value of more than \$200 to a candidate, elected officer, or any individual or individuals with authority to approve the expenditure of campaign funds held by a committee.

*All of these changes were effective as of January 1, 2001. Conforming changes to Commission regulations are currently under way.*

\*\*\*\*\*

*On February 1, 2001*, amendments generated by Phase 2 of the Conflict of Interest Regulations Improvement Project (adopted on December 8, 2000) took effect. Phase 2 consisted of amendments to regulations 18701, 18702.1, 18703.5, 18704.2, 18704.5, 18705, 18705.2, 18705.3, 18705.5, 18707, 18707.1 - 18707.3, 18707.7, 18708, and 18730 and the adoption of new regulations 18230, 18232, and 18707.9. In addition, regulation 18705.1 was repealed and reenacted with new language.

The Phase 2 amendments impact almost all of the steps in the standard conflict of interest analysis. It is beyond the scope

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# Important Changes...

(Continued from page 7)

of this article to describe in detail all of these changes. However, the major changes, and how they impact the eight-step process, are highlighted below:

**Step 1.** *Determine whether the individual is a public official.* Regulation 18701, including the definition of “consultant,” was revised and clarified.

**Step 2.** *Determine whether the public official will be making, participating in making, or using or attempting to use his/her official position to influence a government decision.* (Regs. 18702, *et seq.*) In cases where an official determines he or she has a conflict of interest, the former rule required that disqualification be accompanied by disclosure by the official of the financial interest. Regulations 18702.1 and 18730 have been amended to make the disclosure rule permissive rather than the mandatory.

**Step 3.** *Identify the public official’s economic interests* (Regs. 18703, *et seq.*) Two new regulations have been adopted. First, regulation 18230 was adopted to define “doing business in the jurisdiction.” Under the Act, a public official is required to identify his or her income from, investments in, and/or business positions with, any business entity which does business or plans to do business in the jurisdiction,

or has done business within the jurisdiction of the public official during the two years prior to the time any statement or other action is required under the Act. The new regulation defines and limits “doing business in the jurisdiction” to business contacts with a person “who maintains a physical presence” in the jurisdiction. Additionally, the Commission included a list of activities that constitute “business contacts.” “Marketing” was expressly excluded.

Regulation 18232 is also new. It defines terms used in section 82030(b)(2), which provides an exemption from the definition of “income” for certain payments from government agencies. Regulation 18232 defines the terms “salary,” “per diem,” and “reimbursement for expenses.”

**Step 4.** *Determine whether the official’s economic interests are directly or indirectly involved in the governmental decision.* (Regs. 18704, *et seq.*) The only major change under this step affects the standard analysis as applied to the interests of public officials in real property. Under existing law, real property was directly involved in a decision when the real property was the subject of a decision. The indirect analysis was applied to all other types of decisions affecting the real property (i.e., the official’s property is not the subject

of the rezoning decision, but is located near the property that is being rezoned). The Commission amended Regulation 18704.2 to provide that when an official’s real property is within 500 feet of the boundaries or proposed boundaries of the subject property, the interest is considered directly involved in the decision. This new direct standard supplants the existing “300-foot” rule. In addition, where the decision involves the construction of, or improvements to, streets, water, sewer, storm drainage or similar facilities that serve the official’s property, the official’s property is directly involved in the decision.

**Step 5.** *Determine the applicable materiality standard.* (Regs. 18705, *et seq.*) Regulation 18705.1 was repealed and a new version was adopted. The new version contains revised dollar thresholds to reflect the changes in the economy since the original adoption of the standards in 1988; new descriptive definitions for the accounting terms used in the regulation; and a suggested methodology for public officials to use in determining materiality under the regulation.

Regulation 18705.2 which provides the standards used for determining the materiality of the financial effect on real property of a public official has been recast in the form of

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# ...To Conflict Rules in 2001!

(Continued from page 8)

rebuttable presumptions. Where the real property in which the official has an interest is directly involved in a decision, the effect is presumed to be material. Where the real property is indirectly involved, the effect is presumed to be nonmaterial. Both of these presumptions may be rebutted by evidence that the presumption is not valid.

**Step 6.** *Determine whether it is reasonably foreseeable that the governmental decision will have a material financial effect on each economic interest of the official.* (Reg. 18706.) No regulatory action was taken in 2000. However, interested persons meetings are planned for early 2001.

**Step 7.** *Determine if the reasonably foreseeable financial effect on the official's economic interests is distinguishable from the effect on the public generally.* (Regs. 18707, et seq.) As a result of Phase 2, the "public generally" rules in Regulation 18707 were reorganized and a new "road-map" was added to assist officials in navigating the exception. In addition, the "significant segment" thresholds were relocated into Regulation 18707.1. For the most part these thresholds have remained the same. Notable exceptions:

-The threshold for what constitutes a significant segment ap-

plicable to a business entity has been changed from the 50% threshold in the existing regulation to 2,000 businesses or 25% of all the businesses in the jurisdiction or the district the official represents, so long as the businesses are not a single industry, trade, or profession.

-A connected change was made to Regulation 18707.7 (renumbered from 18707.3) which now provides that for elected officials (other than elected state officers), an industry, trade, or profession constitutes a significant segment of the public generally if that industry, trade, or profession constitutes 50% or more of entities in the jurisdiction of the official's agency, or the district the official represents.

-New Regulation 18707.9 provides two discrete exceptions. First, the regulation codifies the existing Commission opinion *In re Ferraro* (1978) 4 FPPC Ops. 62. It provides that owners of three or fewer properties may constitute a significant segment of the public generally in certain rent control decisions. In addition, the regulation includes a new exception applicable to rent control decisions where an official's economic interests are indirectly involved as long as several other requirements are met.

**Step 8.** *If a public official has a*

*disqualifying conflict of interest in a governmental decision, the official may still be able to act if his or her participation is "legally required."* (Reg. 18708.) Regulation 18708 was amended to specify the required disclosures necessary in order to invoke the exception. For example, the official is required to disclose the type of economic interest that may be impacted by the decision.

In addition, the public official or another officer or employee of the agency must give a summary description of (a) the circumstances under which he or she believes the conflict arises and (b) the legal basis for concluding that there is no alternative source of decision. The amended regulation also describes the manner of disclosure required under a variety of situations (i.e., closed session, open session, and outside of an open or closed session of the agency).

*These regulatory changes have completed the regulation process and became effective February 1, 2001.*

# SEI Filing Season Has Arrived

## ***Clerks: The Annual Statement of Economic Interests Filing Season is Here!***

As a new year begins, so too begins a new filing season for Form 700s, the annual statements of economic interests (SEIs). For statements from the following filers, make a copy of the statement for your records, then send one copy to the Secretary of State, and send the original to the Fair Political Practices Commission within five days of the deadline or five days of receiving a statement that is filed late.

### **Due March 1, 2001:**

- Governor
- Lieutenant Governor
- Attorney General
- Insurance Commissioner
- Controller
- Secretary of State
- Treasurer
- Superintendent of Public Instruction
- Members of the State Assembly
- Members of the State Senate
- Members of the State Board of Equalization

For statements from the following filers, keep a copy and send the original to the FPPC within five days of the deadline or receipt of a statement filed late.

- Judges and Court Commis-

sioners

- Members of the Public Utilities Commission
- Members of the Energy Resources Conservation and Development Commission
- Members of the California Coastal Commission

### **Due April 1, 2001 -- file by April 2, 2001:**

(Deadlines that fall on a Saturday, Sunday or state holiday are moved to the next regular business day. April 1, 2001 is a Sunday.)

- County Supervisor
- District Attorney
- County Counsel
- County Treasurer
- County Chief Administrative Officer
- County Planning Commissioner
- Member of City Council
- Mayor
- City Manager
- City Attorney
- City Treasurer
- City Chief Administrative Officer
- City Planning Commissioner

### **Designated Employees Within a City, County or Local Agency Conflict of Interest Code**

To determine who else within your city, county or local agency must file statements of economic interest, refer to your agency's conflict of interest

code. That code should list positions within your agency for which employees must complete SEIs. The conflict of interest code should also set out employees' filing obligations and the date that annual SEIs are due. If your agency adopted the model code in 2 C.C.R. § 18730 as your conflict of interest code, your filing deadline is April 1.

When you give a designated employee a Form 700 to complete, you must also provide the employee's disclosure category (from your agency's conflict of interest code). You should also provide a fact sheet on gift, honoraria and travel restrictions. The agency conflict code, not the form, determines what that employee must report and where to file. The majority of designated employee statements are not sent to the FPPC.



***Attention Clerks!***

***The FPPC's Toll-free Advice Line is also for you! Call 1-866-ASK-FPPC with your questions on filing and other issues!***

# Commission Meeting Summaries

## November

### Commission Clarifies “Public Generally” Exception

As part of its massive year-long effort to simplify the complex conflict-of-interest rules, the Commission, at its November meeting, adopted several regulations to clarify and reorganize the “public generally” exception. This exception allows a public official with a conflict of interest to participate in a decision if the impact of the decision will be the same as the public generally.

The “public generally” exception exists because the risk of biased judgment is less when the financial effects of a decision fall broadly across a jurisdiction. It is triggered when the impact on a public official’s financial interest is substantially similar to the effect on the public generally.

These changes included the addition of a new four-step analysis to determine when the exception applies, changes in the business entity threshold, the addition of new language to treat non-profit organizations as a business entity for the purposes of the exception and a new subdivision defining governmental

entities as a “significant segment.”

As part of its reorganization of the exception, the Commission added a general introduction to the regulation breaking the exception into a four-step analysis to help public officials determine when the exception applies. The new organization also ties the definition of “significant segment” to the nature of the economic interest of the official at issue – i.e. investments in business entities, ownership of real property and individuals who are sources of income.

In an effort to provide some relief to various industries in the regulated community, the Commission agreed to lower the public generally threshold for business entities to a numerical threshold of 2,000 business entities or a percentage threshold of 25 percent of the business entities in the official’s jurisdiction or district, provided that more than a single industry, trade, or profession is affected by the governmental decision. The Commission also lowered the threshold for situations where a single industry, trade or profession is impacted to 50 percent. Previously this exception applied almost uniquely in “company town” situations. The Commission also codified the *Ferraro* opinion, which provides that an official who owns three or fewer

real property units is affected in substantially the same manner as other such owners of property, in the context of a regulation that addresses rent control issues.

The Commission approved a new subdivision defining a “significant segment” for governmental entities. For decisions that affect a federal, state, or local government entity in which the public official has an economic interest, a “significant segment” will exist if the decision affects all members of the public under the jurisdiction of that governmental entity.

## Enforcement Matters

### Reporting Violations

The Commission fined Superior Court **Judge Dale Sare**, his committee, **the Committee to Elect Dale L. Sare** and treasurer **John N. Cefalu** \$3,500 for failing to timely file late contribution reports, failing to maintain adequate records and for accepting cash contributions.

### Mass Mailing

The Commission fined **Citizens for a Better Fairfield** \$1,200 for failing to include proper sender identification on a mass mailing.

# Commission Meeting Summaries

## Failure to Timely File Statements of Economic Interests

The Commission entered a Default Decision and Order against **Alfred Testa**, a pro tem Judge for the Los Angeles Municipal Court. Mr. Testa failed to timely file his 1998 Statement of Economic Interests. \$2,000 fine.

## Failure to Timely File Statements of Economic Interests - Expedited Procedure

**David Dal Porto**, a Trustee on the Contra Costa County Reclamation Board, failed to timely file his 1997 annual Statement of Economic Interests. The Commission fined him \$250.

## Failure to Timely File Late Contribution Reports

**Orange Coast Title Company**, contributed \$10,000 to the Lungren Committee for Common Sense Conservatism and failed to file a Late Contribution Report. The Commission approved a \$1,500 fine.

## Failure to Timely File Late Contribution Reports – Streamlined Procedure

The Commission fined **Safeway** \$1,650 for unreported contributions totaling \$11,000.

**Oshman Living Trust** was fined \$1,760 for unreported contributions totaling \$25,000.

The Commission fined **David & Michelle Kelley** \$1,500 for unreported contributions totaling \$10,000.

The Commission fined the **California Republican Association** **\$2,527.11 (check amount)** for unreported contributions totaling \$16,847.46

The Commission fined **Daniel Rubin** \$1,500 for unreported contributions totaling \$10,000.

The Commission fined **Quisenberry & Barbanel, LLP** \$1,500 for unreported contributions totaling \$10,000.

The Commission fined **E. Blake Byrne** \$1,500 for unreported contributions totaling \$10,000.

The Commission fined **Bank of America** \$2,400 for unreported contributions totaling \$16,000

The Commission fined the **Anza Borrego Foundation** \$1,500 for unreported contributions totaling \$16,000.

## December

## Commission Finalized Phase 2 Regulations at December Meeting

*The Commission initiated Phase 2 of its conflicts of interest regulations improvement project in October 1999 to improve and simplify the conflicts of interest regulations. At its December meeting, the Commission approved several new regulations and changes to the existing regulations relating to Phase 2. See the Page 7 article by Senior Commission Counsel John W. Wallace for a more complete description of the actions.*

The Commission made several changes relating to the materiality standards for business entities. Because the existing regulation makes several out-of-date assumptions about businesses with stock traded on the New York, American and NASDAQ stock exchanges, and the structure has been difficult to read and apply, the Commission adopted a new regulation intended to clarify and update the existing standards for business entities.

The Commission uses various methods to determine whether there is a “material financial effect” on an official’s

# Commission Meeting Summaries

real property interests. The materiality standards differ depending on whether the official's real property is directly or indirectly involved in a governmental decision. The Commission adopted two regulations clarifying what materiality standard the official should apply.

The "personal financial effects" rule has triggered persistent confusion for public officials since its adoption by the Legislature in 1985. In response, the Commission adopted several regulations concerning when a personal financial effect should trigger a conflict of interest.

The Commission excludes from the statutory definition of "income" certain payments to an official from state, local or federal government agencies. Since the inception of the "government salary exception" the Commission has received many questions regarding its application. The Commission adopted several regulations to codify the Commission advice regarding many of the commonly asked questions.

The Commission adopted a new regulation which defines "doing business in the jurisdiction."

The Commission approved clarifying changes regarding the definition of "public official." The new regulation resolves various technical ambiguities, including the current definition of "consultant."

If a public official has a

disqualifying conflict of interest in a governmental decision he or she may still be able to act if the official's participation is "legally required." An official who acts pursuant to the exception must follow certain exceptions and make certain disclosures. The existing regulation did not clearly explain what disclosures the official must make. The Commission adopted several regulations relating to the timing and means of disclosure. The Commission also adopted a "comment" to the regulation to clarify that the regulation is not intended to require an agency or public official to reveal confidential information in the required disclosure. This comment includes a hypothetical illustration.

## Enforcement Matters

### Adoption of Enforcement Policy

**Major Donor Committees:** The Commission approved a "streamlined" stipulation procedure for committees that failed to timely file their required Major Donor Campaign Statements. The Commission also eliminated the dollar limit on committees eligible for the "streamlined" process and approved an increase in the proposed fine amounts for the streamlined process to \$400-\$600.

## Enforcement Actions

### Failure to Timely File a Major Donor Campaign Statement - Streamlined Procedure

During the calendar year of 1998, **Richard Meruelo** contributed \$11,000 and failed to file a major donor campaign statement. The Commission fined Meruelo \$400.

The Commission fined **SCPIE Indemnity Company** \$600 for failing to file a major donor campaign statement. During the calendar year of 1998, Respondent SCPIE Indemnity Company contributed \$30,000.

### Failure to Timely File Statements of Economic Interests - Expedited Procedure

The Commission fined **Pablo Alvarado**, a Commissioner for the City of Pasadena, Northwest Commission, \$300 for failing to timely file his 1999 Annual Statement of Economic Interests.

**Elmy Bermejo**, a field representative for Senator John Burton, failed to timely file her 1997 and 1998 Statements of Economic Interests. The Commission fined Bermejo \$600.

# Commission Meeting Summaries

## Failure to Timely File Late Contribution Reports – Streamlined Procedure

The Commission fined the **Pechanga Band of Luiseno Indians** \$2,000 for failing to timely report contributions totaling \$30,000.

**Daniel Renberg**, failed to timely report contributions totaling \$50,000. The Commission fined Renberg \$2,000.

The Commission fined **Bruce Stuart** \$2,000 for failing to timely report contributions totaling \$15,000.

## Conflict of Interest and Failure to Timely File Statement of Economic Interests

**John McLemore**, a member of the Santa Clara City Council, failed to disqualify himself from a governmental decision which had a reasonably foreseeable material financial effect on the Intel Corporation, a company in which he had an investment interest. McLemore also failed to timely disclose his investment interests on his Statements of Economic Interest. The Commission fined McLemore \$2,500.

## Concealing True Source of Campaign Contributions

**Crosby, Mead, Benton & Associates** is an engineering

firm that does work on subdivisions, primarily for developers. In May 1998, the firm laundered sixteen campaign contributions to candidates for Santee City Council. The Commission approved a \$29,000 fine.

## Failure to File Campaign Reports

**Ken Moser** and the **San Diego County Conservative Political Action Committee**, failed to file Semi-Annual Statements and Pre-Election Statements. The Commission approved a \$7,000 fine.

The Commission fined **Edwin Palmquist, Measure K, Yes for Kids and Local Schools** \$3,500 for failing to timely file Pre-Election Statements and a Semi-Annual Statement.

**Yes on A**, (Committee for Measure A) and **Adele Stoler** failed to timely file two Semi-Annual Statements. The Commission approved a \$1,000 fine.

## Failure to Timely File Late Contribution Reports

A Franchise Tax Board audit found that **Jim Morrissey**, his controlled committee, **Morrissey for Assembly** and committee treasurer, **Betty Presley** failed to report, within 24 hours of receipt, five late contributions. The Commission approved

a \$7,000 fine.

## Reporting Violations

The Commission fined the **California Association of Sheet Metal and Air Conditioning Contractors PAC**, and **Cyndi Marshall**, treasurer, \$5,400 for receiving a total of 54 cash contributions. All but four of the contributions were for \$100.

**Craig Wilson, Friends of Craig Wilson**, and **David Hawkins**, treasurer, failed to report subvendor information, and failed to adequately report consideration received for expenditures. The Commission approved a \$2,000 fine.

## January

## Commission Adopts Proposition 34 Guidelines

In an effort to comply with the campaign finance laws passed by voters in the November election as Proposition 34, the Commission adopted guidelines to assist candidates running in the February 6, 2001, special election to fill the vacated 65<sup>th</sup> Assembly seat. The guidelines outlined the new contribution limits and voluntary spending limits.

# Commission Meeting Summaries

The passage of Proposition 34 repealed most of the provisions of Proposition 208 as well as those of Proposition 73. Because of these statutory changes, the Commission approved proposed repeals and amendments to existing regulations for public notice and adoption at its March meeting.

In order to implement the new changes concerning local jurisdictions more effectively, the Commission adopted an emergency regulation identifying the relevant changes. Staff prepared the regulation in response to obvious confusion about what, if any, provisions of Proposition 34 applied to local jurisdictions. Although local jurisdictions are exempt from the contribution limits and voluntary spending limits of Proposition 34, many other provisions still apply.

Proposition 34 imposes higher contribution limits on "small contributor committees". For example, in elections for state legislature, individuals can only contribute \$3,000 whereas small contributor committees can contribute \$6,000. Because several committees would like to qualify and register as a small contributor committee as soon as possible, the Commission adopted an emergency regulation in order to clarify the term.

The Commission also

adopted technical and non-substantive amendments to its conflict of interest regulations as result of Phase 2 and approved revised campaign disclosure forms that incorporated legislative and Proposition 34 changes.

## Enforcement Matters

### Failure to Timely File Late Contribution Reports – Streamlined Procedure

The Commission fined **Core Partners** of Beverly Hills \$1,500 for unreported contributions totaling \$10,000.

### Failure to Timely File Statements of Economic Interests – Expedited Procedure

**Pamela Alsterlind**, a consultant to the California Public Employees' Retirement System (CalPERS), failed to timely file her 1999 Annual Statement of Economic Interests. The Commission fined her \$600.

The Commission fined **Kirk Cunningham**, a member of the Finance Committee for the City of Del Mar, \$800 for failing to timely file his Assuming Office and 1998 Annual Statements of Economic Interests.

The Commission fined **Anthony Ephriam**, a member of the Social Services Commission for the City of Santa Monica, \$500 for

failing to timely file his 1998 and 1999 Annual Statements of Economic Interests.

## Reporting Violations

**County Alliance for a Responsible Education System (CARES)**, a state general purpose committee headquartered in San Diego County and its treasurer, **Kathy Frasca**, failed to file a late independent expenditure report for a \$20,000 late independent expenditure concerning a race for the State Assembly. The Commission fined CARES and Kathy Frasca \$1,500.

The Commission fined **Daniel E. Lungren**, his campaign committee, **Lungren For Governor**, and its treasurer, **David Bauer** \$30,000 for failing to file or timely file late contribution reports, failing to disclose non-monetary contributions, and failing to disclose accrued expenditures.

**Nationwide Auction Systems**, a professional auctioneer service company located in the City of Industry, failed to file Major Donor Committee Campaign Statements for 1996 and 1998 and to fully disclose contributions made in 1998. The Commission fined the company \$5,000.

The Commission fined **Joseph Ruiz**, the **Committee to Elect Joseph F. Ruiz to the City Council** (City of Southgate), and

# Commission Meeting Summaries

its treasurer, **Ramona Ruiz**, \$1,250 for failing to timely file a Preelection Campaign Statement.

**Santa Clara County United Democratic Campaign**, a general purpose committee that

functions as the arm of the Santa Clara County Democratic Central Committee, and its treasurer **James P. Thurber, Jr.**, failed to file three Late Independent Expenditure Reports. The Commission fined them \$4,500.

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## FPPC Holds Public Forums on New Conflicts Rules; Forum Coordinated with Los Angeles Commission

New regulations governing conflicts of interest of public officials were the subject of a public forum January 25 in downtown Los Angeles.

Coordinated with the Los Angeles Ethics Commission, FPPC Chairman Karen Getman, Commissioner Gordana Swanson and attorneys from the Legal and Enforcement Divisions reviewed the new rules and then opened the meeting to public input on issues remaining after recent completion of the two-year Conflict of Interest Regulations Improvement Project. Various public officials, attorneys and other interested persons attended the session.

Unresolved issues for discussion included the definition of "foreseeability" in determining whether a public official can reasonably predict whether

he or she has a financial conflict of interest which may preclude that official from taking part in a governmental decision. The forum also addressed whether an immunity provision should be developed that would protect public officials who inadvertently violate the conflict of interest law.

A Northern California public forum on the new regulations is expected to be scheduled in the near future. Persons interested in being added to the list of those notified about such meetings should write to Joan Giannetta, Legal Secretary, Fair Political Practices Commission, P. O. Box 807, 428 J Street, Sacramento, CA 95812.

Additional information on the conflicts project can be obtained from the FPPC website at [www.fppc.ca.gov](http://www.fppc.ca.gov).

Written comments on the new rules can be sent to the agency at 428 J St., Suite 800, Sacramento California, 95814, or by contacting Senior Commission Counsel John W. Wallace at 916-322-5660

*Unresolved issues for discussion included the definition of "foreseeability" in determining whether a public official can reasonably predict whether he or she has a financial conflict of interest which may preclude that official from taking part in a governmental decision.*



# The Clerk's Corner

## Are You Having a November 2001 Election?

It's not too early to begin thinking about the November election and the Commission's Outreach Program.

This new program is designed to assist you with your filing officer duties. It has been well received by the cities and counties visited, which number more than 60 to date.

We are currently visiting cities with spring elections and are starting to schedule visits with agencies having November elections. If you need assistance creating a campaign log, a refresher course on what to look for when reviewing a campaign statement, or a general overview of your campaign filing duties, contact Emily Bowden or Larry Barkhouse at **1-866-ASK FPPC** to arrange a date and time convenient for your schedule.

While the focus of the outreach is cities and counties having November elections, all filing officers are invited to contact the Commission at **1-866-ASK FPPC** to request an outreach visit.

The visits have been averaging three hours and are provided at no cost. You are encouraged to call one or more of



the following cities and/or counties for their recommendation of the program. The cities include Beverly Hills, Norwalk, Calistoga, Morgan Hill, and Stockton and the counties include El Dorado, Yuba, and Imperial.

## Summer Workshops

The Commission is planning to hold some regional workshops in connection with November 2001 elections. If you would like to host a workshop for candidates and treasurers, or a seminar on the duties imposed on campaign filing officers, please call the Commission at 1-866-ASK-FPPC and ask for Gail Perry.

## Revised Campaign Forms for 2001

We recently sent a mailing to all campaign filing officers containing updated campaign forms. If you have not received this mailing, please contact Rene Robertson at the Commission at 1-866-ASK-FPPC.

## FPPC Workshops

Statement of Economic Interests filing deadlines are just around the corner. The FPPC's Technical Assistance Division is conducting a series of two-hour workshops on the duties of Form 700 filing officers and officials. The workshops are free and you can sign up by calling 1-866-ASK-FPPC and pressing 3.

Some scheduled workshops as of press time include:

### City/County Agencies

Sacramento

Wednesday, February 14,

1-3 p.m.

FPPC 8th Floor hearing room

428 J Street

### State Agencies

Sacramento

Tuesday, February 13

10 a.m.-noon

FPPC 8th Floor hearing room

428 J Street

# FPPC Advice Summaries

Formal written advice provided pursuant to Government Code section 83114 subdivision (b) does not constitute an opinion of the Commission issued pursuant to Government Code section 83114 subdivision (a) nor a declaration of policy by the Commission. Formal written advice is the application of the law to a particular set of facts provided by the requestor. While this advice may provide guidance to others, the immunity provided by Government Code section 83114 subdivision (b) is limited to the requestor and to the specific facts contained in the formal written advice. (Cal. Code Regs., tit. 2, §18329, subd. (b)(7).)

Informal assistance is also provided to persons whose duties under the act are in question. (Cal. Code Regs., tit. 2, §18329, subd. (c).) In general, informal assistance, rather than formal written advice is provided when the requestor has questions concerning his or her duties, but no specific government decision is pending. (See Cal. Code Regs., tit. 2, §18329, subd. (b)(8)(D).)

Formal advice is identified by the file number beginning with an "A," while informal assistance is identified by the letter "I."

## Campaign

**Susan G. Lynn**  
**City of Fountain Valley**  
**Dated November 10, 2000**  
**Our File Number: I-00-233**

A general discussion of the duties imposed on filing officers to determine whether required campaign forms and statements have been filed.

**Gary Capolino**  
**Automated Accounting**  
**Dated November 17, 2000**  
**Our File Number: A-00-240**

After a committee treasurer leaves his or her position, the former treasurer no longer has a duty under the Act to retain the committee's records.

**James R. Sutton**  
**Taxpayers for a Legal Initiative**  
**Dated December 13, 2000**  
**Our File Number: A-00-226**

Payments made in connection with pre-election litigation challenging a decision by a director of elections are not made "for political purposes." Note: This letter supersedes in part the following advice letters: Herzig Advice Letter, No. A-87-272; Doyle Advice Letter, No. I-88-202; Lowe Advice Letter, No. A-92-407; Schmidt Advice Letter, No. A-92-408; and Leidigh Advice Letter, No. A-99-272.

**Cathleen C. Miller, Treasurer**  
**Office of Congressman Gary Miller**

**Dated December 20, 2000**  
**Our File Number: A-00-242**

Before January 1, 2001, a federal candidate may transfer excess funds from federal to same candidate's state special election committee, subject to limits of §85305 and attributor requirements of Reg. 18535. Transfers from federal committee to candidate's state assembly committee before January 1, 2001, are not subject to limits or attribution requirements, but contributions of \$10,000 or more trigger major donor reporting obligations. No advice on Commission's treatment of these transfers if made after January 1, 2001. Note: Supersedes House Advice Letter No. A-92-111.

**Diane Major**  
**California Association for Medical Laboratory Technology**

**Dated December 19, 2000**  
**Our File Number: A-00-269**

Funds of the sponsored political action committee for the California Association for Medical Laboratory Technology may be used to pay the retainer for the committee sponsor's lobbyist.

# FPPC Advice Summaries

## **Conflicts of Interest**

**Patricia McCoy**  
**City of Imperial Beach**  
**Dated November 3, 2000**  
**Our File Number: A-00-117**

A city council member may participate in decisions regarding street improvements near her home if she concludes it is not reasonably foreseeable that the project will affect the rental value of her home by \$1,000 or more in a year or affect the value of her home by \$10,000 or more.

**Robert Burnham**  
**City of Newport Beach**  
**Dated November 21, 2000**  
**Our File Number: I-00-245**

This letter provides general assistance on whether a council member may participate in discussions and decisions regarding a possible amendment to the general plan and a development agreement.

**Gail Benda**  
**City of Imperial Beach**  
**Dated November 30, 2000**  
**Our File Number: A-00-247**

A city council member who owns property on the oceanfront of Imperial Beach may not in her official capacity make, participate in making, or influence decisions concerning the city's evaluation of existing shore protection structures and the development of a shoreline management strategy. The segment of persons similarly situated is too

small to qualify for the "public generally" exception. However, the official may represent her own interests before the city as any other member of the public.

**James Cathcart**  
**25th District Agricultural Association**  
**Dated December 11, 2000**  
**Our File Number: I-00-175**

A public official must make a good faith effort to assess the financial effect of a governmental decision by using some reasonable and objective method of valuation

**Steven L. Dorsey**  
**L.A. Care Health Plan**  
**Dated December 12, 2000**  
**Our File Number: I-00-176**

A consultant hired and supervised by a community outreach group need not regard the County as a source of income within the meaning of §87103(c) if the County writes a check to the consultant from grant funds owing to the community outreach group for administrative convenience of the community group.

**Steven B. Quintanilla**  
**Palm Springs Cemetery District**  
**Dated December 27, 2000**  
**Our File Number: A-00-196**

The Chairman of the Cemetery Board has no conflict of interest in Board decisions regarding development of leased property on which members of the Temple

Isaiah, which employs the Chairman, have taken a strong position.

**Councilor Owen Newcomer**  
**Whittier City School District**  
**Dated December 8, 2000**  
**Our File Number: A-00-229**

A school district is not a "source of income" to a council member who was formally an elected and salaried member of the school board. A salary from the school district falls under the "government salary exception" of §82030(b)(2).

**Lance H. Olson**  
**City of Dixon**  
**Dated December 19, 2000**  
**Our File Number: A-00-237**

Provides clarification of the foreseeability analysis where the official is a real estate professional and is confronted with decisions on development in the jurisdiction where: 1) neither the official nor the official's employer may sell homes from the development once completed, but will only be able to sell homes from the development when they are resold, and 2) the jurisdiction is subject to mandatory growth limitations which will require large developments to be phased in over a number of years, the likelihood of the financial effect reaching the applicable materiality threshold in the regulation in a fiscal year is not substantial.

# FPPC Advice Summaries

**Edward A. Rich**

**5th District of Calaveras**

**Dated December 29, 2000**

**Our File Number: I-00-253**

A planning commissioner does not have a conflict of interest in decisions on a real property development where planning commissioner had previously represented an unsuccessful bidder on the property, and where planning commissioner had expressed opinions on appropriate development for that real property.

**Greg Hons**

**City of Santa Barbara**

**Dated December 28, 2000**

**Our File Number: I-00-255**

A city police officer may not use his official position to influence or attempt to influence purchasing decisions involving a small business he privately owns. He may, however, act in the same manner as any other member of the general public in order to represent his private business interests.

**Douglas C. Holland**

**City of Tustin**

**Dated December 29, 2000**

**Our File Number: I-00-256**

An appraisal submitted by a public official as to the effect of government decisions on the public official's residential real property did not address the possibility of proportionately small, but still material, price variations in rate prices of residential real property in the area, and the public official could not therefore

reasonably rely on its appraisal to determine her obligation under the Act.

**Barbara A. Stewart**

**City of Dorris**

**Dated December 11, 2000**

**Our File Number: A-00-262**

Certain duties of the city clerk are ministerial or clerical and, therefore, do not constitute making or participating in making a governmental decision.

## Gifts

**Jack L. White**

**City of Anaheim**

**Dated December 8, 2000**

**Our File Number: A-00-225**

Gifts provided by the Walt Disney Co. to the City of Anaheim appear to meet all the criteria in Regulation 18944.2.

**Jennifer Jacobs**

**California State Assembly**

**Dated December 15, 2000**

**Our File Number: I-00-254**

Candidate may use campaign funds to attend a presidential inauguration in Washington D.C. Admission privileges to inaugural parties and related tangible benefits are gifts.

**Ed Robey**

**County of Lake**

**Dated December 21, 2000**

**Our File Number: A-00-266**

An official may accept free roundtrip transportation to, lodging and subsistence expenses for

the day immediately preceding, the day of, and the day immediately following a speech in Hawaii provided by a vineyard/winery for the purpose of making a speech at the Langtry Educational Retreat. However, these gifts are reportable and may subject the official to disqualification. A separate gift of travel to the official's spouse or guest is considered an additional gift to the official subject to the gift limits, disclosure and potential disqualification if the official directs or controls the use of the gift.

**Terence Lee Hancock**

**County of Santa Cruz**

**Dated December 28, 2000**

**Our File Number: A-00-278**

Admission to a party after the swearing-in ceremony is a gift to the public official, valued at the total value of good and services provided to attendees, divided by the number of attendees.

## Revolving Door

**Doyle A. Hanan, Ph.D.**

**Department of Fish & Game**

**Dated December 11, 2000**

**Our File Number: I-00-209**

After leaving state service, a former state administrative official may represent a client before the State Legislature but may not collaborate with an employee of his former state agency for the purpose of applying for federal grant monies.

## Political Reform Act Available on CD ROM

The Political Reform Act of 1974 (updated to January 1, 2001) will be available on computer CD-ROM beginning March 1. The CD includes brief histories of amended sections and references to applicable regulations, opinions and enforcement decisions. The CD is available for \$10 per copy, although there is no charge for other government agencies. The CD includes Adobe PDF, Microsoft Word and WordPerfect formats. Please send your check made payable to the "State of California" and the order form below to:

Fair Political Practices Commission  
428 J Street  
P.O. Box 807  
Sacramento, CA 95812

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You may also order the CD-ROM by faxing this form to (916) 322-0886 or by calling (916) 322-5660 and pressing "1" to leave a voicemail order. Be sure to clearly state your name and mailing address as well as the format(s) you want. You will be billed \$10 per copy.



## FPPC Bulletin Subscription Renewal

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